

Congress should now work to pass reform of the individual mandate and strip insurance companies of anti-trust immunity

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WASHINGTON, DC—Rep. DeFazio (D-Springfield) today voted against the repeal of the health care reform bill, instead he is working to reform the law. The law prohibited the worst abuses of the insurance and pharmaceutical industries: no more refusing to cover someone with a preexisting condition, cancelling a policy if the person becomes sick, refusing to cover young adults up to age 26 under their parent's plans, life time caps on health care coverage or health care coverage exclusions for specific health problems. The repeal bill passed today would eliminate those consumer protections, as well as significant discounts that provide needed relief for seniors falling into the Medicare Prescription Part D "donut hole". Today's vote is largely symbolic. Despite House action to repeal the law, the Democratic-controlled Senate is not expected to act on the bill.

Repeal of the law would have drastic consequences for DeFazio's district. It is estimated that repeal would allow insurance companies to deny coverage for up to 316,000 individuals with pre-existing conditions in Southwest Oregon, including up to 36,000 children. In addition, it would restore the Medicare Part D "donut hole" raising prescription drug prices for nearly 15,000 seniors. The repeal would also increase the cost uncompensated care provided by 4th District hospitals by over \$43 million annually.

Repeal of the healthcare reform bill would also eliminate a hard-fought reform of the Medicare payment formula that improved access to care for Oregon seniors. For decades doctors in Oregon and 17 other states have been underpaid by Medicare. The payments in these states are well below the cost of care, and as a result many physicians simply can't afford to take on new Medicare patients. At the same time, payments in states like Florida and New York

are far above the national average.

“The Affordable Care Act increased Medicare payments to doctors in Oregon and 17 other states. As a result, if you are currently on Medicare, you will have more doctors to choose from because of changes I fought for in this bill. Repeal of this would increase drug costs for seniors and restrict access to physicians,” said DeFazio.

The Affordable Care Act does need reform. DeFazio has proposed that individuals be allowed to opt out of the insurance mandate by signing a form that would waive their right to any taxpayer funded medical assistance. Individuals opting out of the insurance mandate would agree that any debts incurred because of medical care are theirs and theirs alone. It is estimated that every person who purchases health care pays an additional \$1400 each year for unreimbursed medical care for the uninsured and the underinsured.

“If Republicans were serious about health care, they would work to reform the law instead of wasting time on a symbolic effort that is just for show,” said DeFazio. “The law is not going to be repealed, so I am focused on reforming key elements of the legislation such as the individual mandate.”

In addition to reforming the individual mandate, DeFazio plans to re-introduce legislation that would strip the insurance company of their anti-trust immunity and require the industry to play

by the same rules that govern every other industry in the United States, except Major League Baseball.

“One of the greatest omissions of the health care reform bill was the repeal of the anti-trust immunity of the insurance industry. Insurance companies can, and do, collude to set prices, restrict coverage, divide markets, and exclude Americans from coverage because of pre-existing conditions,” said DeFazio. “In 2010, the House voted to repeal the anti-trust exemption with 406 votes. It passed with nearly full support of the House then and I believe we could pass it now and bring needed relief to millions of Americans.”

The Consumer Federation of America has said that this action alone could save consumers billions of dollars.

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